The general rule as to contracts other than negotiable instruments is that the true principal may be shown by parol: *New Jersey Steam Navigation Co.* v. *Merchants Bank,* 6 How. 381; *Huntington* v. *Knox,* 7 Cush. 371. But a stricter rule springing from the law merchant is applied to negotiable instruments, to the effect that, where one signs as "Agent," or "President" and the like, without sufficiently indicating on the instrument who the principal is, parol evidence is not admissible to charge the principal, though the party actually signing be an agent. This rule is founded on the reason that "each party who takes a negotiable instrument makes his contract with the parties who appear on its face to be bound for its payment. It is a courier without luggage, and its countenance is its passport." DANIEL, NEG. INSTR., § 303; CLARK & SKYLES, AGENCY, § 328a; *Anderson* v. *Pearce,* 36 Ark. 293; *Richmond etc.* v. *Morangue,* 119 Ala. 80; *Stinson* v. *Lee,* 68 Miss. 113; *Conner* v. *Clark,* 12 Cal. 167; *Bedell* v. *Scarlett,* 75 Ga. 56; *Prescott* v. *Hixon,* 22 Ind. App. 139; *Brown* v. *Parker,* 7 Allen (Mass.), 337; *Rendell* v. *Harriman,* 75 Me. 497; *Keokuk etc. Co.* v. *Kingsland etc. Co.,* 5 Okla. 32; *Tarver* v. *Garlington,* 27 S. C. 107; *Arnold* v. *Sprague,* 34 Vt. 402. The instant case bases its decision on an exception to the principle established by the law merchant, that as between the immediate parties to a bill or note, it may be shown by parol that the instrument was, to the knowledge of the parties, intended to be the obligation of the principal, and not of the agent, and that it was given and accepted as such. *Bank of Genesee* v. *Patchin Bank,* 19 N. Y. 312; *Metcalf* v. *Williams,* 104 U. S. 93; *Kline* v. *Bank of Tescott,* 50 Kan. 91; *McClellan* v. *Reynolds,* 49 Mo. 312; *Roberts* v. *Austin,* 5 Whart. (Pa.) 313; *Traynham* v. *Jackson,* 15 Tex. 170; *Kiedan* v. *Winegar,* 95 Mich. 430; *Megowan* v. *Peterson,* 173 N. Y. 1. Other courts deny the admissibility of parol testimony even in such cases. *Daniel* v. *Buttner,* (Wash.) 80 Pac. 811; *Tucker Mfg. Co.* v. *Fairbanks et al.,* 98 Mass. 101; *Sturdivant* v. *Hull,* 59 Me. 172; *Hobson* v. *Fassett,* 76 Cal. 203; *Tannatt* v. *Rocky Mountain Nat. Bank,* 1 Colo. 278; *Cahokio School Trustees* v. *Ratenberg,* 88 Ill. 219.

BILLS AND NOTES—CONDITIONAL DELIVERY TO PAYEE.—The maker of a note delivered it to the payee to take effect when a third party should give to the maker a warranty deed to a certain tract of land. In a suit on the note, brought by the payee, *Held,* parol evidence is admissible to show a conditional delivery or delivery in escrow to the payee, which prevents it from becoming a complete contract in praesenti, where there is a failure to perform or comply with such condition. *Jones* v. *Citizens State Bank,* (Okla. 1913), 135 Pac. 373.

The instant case accords with the provisions of the Negotiable Instruments Law as it has been enacted in the majority of states, *i. e.*: "As between immediate parties and as regards a remote party other than a holder in due course, . . . the delivery may be shown to have been conditional, or for a special purpose only, and not for the purpose of transferring the property in the instrument." Negotiable Instruments Law, § 18. But apart from such statutes the decisions are not uniform on the question of giving evidence of a conditional delivery to the payee. The weight of authority

appears to be with the principal case. The admission of the parol evidence is justified on the ground that it is not evidence to vary the terms of a written agreement, which is not allowable, but that it is evidence to show there is no operative agreement in force. *McKnight* v. *Parsons,* 136 Ia. 390, 22 L. R. A. N. S. 718; *Burke* v. *Dulaney,* 153 U. S. 228; *Brown* v. *St. Charles,* 66 Mich. 71; *Burns & Smith Lumber Co.* v. *Doyle,* 71 Conn. 742; *Merchants Bank* v. *Luckow,* 37 Minn. 542; *Watkins* v. *Bowers,* 119 Mass. 383; *Beach, Receiver,* v. *Nevins,* 162 Fed. 129, 18 L. R. A. N. S. 288; *Hurt* v. *Ford,* (Mo.) 36 S. W. 671. But there are many states holding contra to the principal case. *Carter* v. *Moulton,* 51 Kan. 9; *Garner* v. *Fite,* 93 Ala. 405; *Stewart* v. *Anderson,* 59 Ind. 375; *Scott* v. *State Bank,* 9 Ark. 36; *Gaar* v. *Louisville Banking Co.,* 74 Ky. 180, 21 Am. R. 209.

CARRIERS—NECESSITY OF NOTICE OF CLAIM UNDER SPECIAL CONTRACT—APPLICABILITY WHERE LIVE STOCK HAS DIED IN TRANSIT.—Plaintiff sued carrier for value of live stock, which died in transit. The shipment was made under a contract stipulating that no recovery could be had, unless notice of claim was given by the consignee or shipper to the carrier at or before the time of delivery. Notice had not been given. *Held,* that the plaintiff could recover, the stipulation not applying to live-stock dying in transit. *Southern Ry. Co.* v. *Bacon* (Tenn. 1913), 159 S. W. 602.

The principal case is one of first impression in this state. Nor has the question been considered often elsewhere. Of the decisions cited by the court to sustain their position, but two are in point, *Kas. & Ry. Co.* v. *Ayres,* 63 Ark. 331, 38 S. W. 515, and *Pierson* v. *No. Pac. Ry. Co.,* 61 Wash. 450, 112 Pac. 509, which follows the former decision without discussion. The other decisions are in cases where the carrier had actual notice of the death of the stock. *L. & N. Ry. Co.* v. *Warfield and Lee,* 6 Ga. App. 550, 65 S. E. 308; *M. K. & T. Ry. Co.* v. *Frogley,* 75 Kas. 440, 89 Pac. 903; and *Patterson* v. *K. & T. Ry. Co.,* 24 Okla. 747, 104 Pac. 31. In fact the rule in Kansas seems to be in direct opposition to that stated in the principal case. *Wichita & Wes. Ry. Co.* v. *Koch,* 47 Kas. 753. As a general rule, such a stipulation as that in the contract in the principal case is considered reasonable and valid, because it tends to prevent injustice by giving the carrier an opportunity to inspect the stock in question before its identity is lost. In accordance with such reasoning, it has been held, under a contract similar to that in the principal case, that where the carrier's agent has removed cattle from the cars, notice of injury is not required. *Baker* v. *Miss. Pac. Ry. Co.,* 34 Mo. App. 98. And where the injury is not apparent, but develops later, notice is not required. 5 Cyc. (2 Ed.) 455. The carrier has an equal opportunity to discover dead stock and apparent injuries, and it seems that the rule that notice is essential to recovery, unless the carrier has actual notice, should apply in both cases.

CORPORATIONS—RIGHTS OF STOCKHOLDERS WHERE THE CORPORATION FRAUDULENTLY DISMISSES A SUIT.—Defendant Rossman, a director of plaintiff company, fraudulently caused stock in said company to be issued to defendant McAlpine and himself. The corporation commenced suit to have the